



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

House: APPROP DP 10-5-0-0

HB 2800: teacher salary increases; public schools

Sponsor: Representative Gress, LD 4

House Engrossed

Overview

Mandates each school district and charter school increase the base salary of all eligible teachers and creates the Pay Teachers First Fund. Expands the school level data that must be included in the School Online Transparency Portal. Directs each school district to establish a long-term and short-term facilities master plan. Makes multiple appropriations from the state General Fund (GF) for outlined purposes.

History

A school district's and charter school's budget must contain the average teacher salary for the current and previous years, as well as the dollar and percentage increase in the current year average teacher salary. This information must be prominently posted on the school district's or charter school's website home page. The Arizona Department of Education (ADE) must annually compile this average teacher salary information and submit it to specified entities (A.R.S. §§ [15-189.05](#), [15-903](#)).

The Arizona Department of Administration (ADOA) must contract with a third party to develop a school financial transparency portal that includes school level data for charter schools, school districts and district schools, such as: 1) weighted student count revenues; 2) federal, state and local revenues; 3) allocation of Classroom Site Fund monies; 4) amounts allocated for teacher pay and benefits, classroom supplies, student support and other expenditures; 5) a comparison of the funding information for each school in the same local education agency; and 6) any other information necessary. ADE and the Arizona State Board for Charter Schools (ASBCS) must provide any necessary data or financial information requested for the portal ([A.R.S. § 15-747](#)).

A school district must develop routine preventive maintenance guidelines for its facilities and submit these guidelines to the Division of School Facilities (Division). The Division uses these guidelines to determine if a facility was inadequately maintained ([A.R.S. § 41-5702](#)). Additionally, to be eligible to receive Building Renewal Grant (BRG) Fund monies, a school district must submit a preventive maintenance plan to the Division ([A.R.S. § 41-5731](#)).

A school district governing board (governing board) must annually update a capital plan that includes enrollment projections for schools. This capital plan is used by the School Facilities Oversight Board to determine if the school district requires capital funding from the New School Facilities (NSF) Fund ([A.R.S. § 41-5741](#)).

Provisions

Teacher Salary Increases

1. Requires each school district and charter school, regardless of whether it receives Pay Teachers First Fund monies, to revise its salary schedules to increase the base salary of all eligible teachers who are or will be employed by:
 - a) \$5,000 above the FY 2023 base salary in FY 2024; and
 - b) \$10,000 above the FY 2023 base salary in FY 2025. (Sec. 2)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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2. Stipulates the base salary increases must be the same amount for each eligible teacher, regardless of teacher experience levels or teaching assignments. (Sec. 2)
3. Prohibits a school district or charter school from reducing the base salary of eligible teachers who are or will be employed below the FY 2025 base salary schedule. (Sec. 2)
4. Allows a school district or charter school to adjust an individual teacher's salary in a manner that is consistent with the applicable base salary schedule. (Sec. 2)
5. Defines *eligible teacher* to mean a person who:
 - a) is employed by a school district or charter school for a full school day or class load, or their equivalents, as determined by ADE; and
 - b) devotes more than 50% of their time to classroom teaching. (Sec. 2)
6. Specifies *eligible teacher*:
 - a) includes current teachers and teachers who begin work after the general effective date; and
 - b) excludes a person who has been designated in either of the two lowest teacher performance classifications or an administrator. (Sec. 2)
7. Defines *classroom teaching*. (Sec. 2)

Pay Teachers First Fund (Fund)

8. Establishes the Fund and mandates monies be used for the required salary increases for eligible teachers. (Sec. 2)
9. Authorizes Fund monies to be used for up to 50% of associated employee-related expense cost increases. (Sec. 2)
10. States the Fund consists of legislative appropriations and that monies are continuously appropriated and exempt from lapsing. (Sec. 2)
11. Directs ADE to administer the Fund and establish procedures for determining whether a school district or charter school is eligible to receive Fund monies. (Sec. 2)
12. Requires a school district or charter school to comply with School Online Transparency Portal requirements to receive Fund monies. (Sec. 2)
13. Instructs ADE to allocate Fund monies to each eligible school district or charter school as follows:
 - a) in FY 2024, \$5,000 per eligible teacher to fund the required FY 2024 teacher salary increases; and
 - b) beginning in FY 2025 and thereafter, \$10,000 per eligible teacher to fund the required FY 2025 teacher salary increases. (Sec. 2)
14. Requires ADE, by May 30th annually, to provide the Joint Legislative Budget Committee with an estimate of the amount required to pay for Fund allocations for the following fiscal year. (Sec. 2)
15. Instructs ADE to add the amount allocated to each school district and charter school from the Fund to the base support level that would otherwise be computed for the school district or charter school for each fiscal year. (Sec. 2)
16. Appropriates from the state GF to the Fund:
 - a) \$400,000,000 in FY 2024; and
 - b) \$700,000,000 in FY 2025. (Sec. 7)
17. States the Legislature intends the \$700,000,000 appropriation in FY 2025 to be considered ongoing funding in future years. (Sec. 7)
18. Exempts the appropriations from lapsing. (Sec. 7)

School District and Charter School Budgets

19. Includes in each school district's and charter school's budget:
 - a) the salary schedule for eligible teachers employed for the current year; and
 - b) a statement identifying the number of eligible teachers employed for the current year. (Sec. 1, 4)
20. Requires the FY 2024 budgets of school districts and charter schools to include:
 - a) the salary schedules for all eligible teachers for the current fiscal year without the required teacher salary increases; and
 - b) the revised salary schedules for eligible teachers for the current fiscal year with the required teacher salary increases. (Sec. 6)
21. Mandates school districts and charter schools include in total compensation statements:
 - a) in FY 2024, a statement notifying eligible teachers that the Legislature provided them a \$5,000 base salary increase; and
 - b) in FY 2025, a statement notifying eligible teachers that the Legislature provided them an additional \$5,000 year-over-year base salary increase, for a combined total of \$10,000 base salary increases since FY 2023. (Sec. 6)

School Online Transparency Portal

22. Renames the School Financial Transparency Portal to the School Online Transparency Portal (Portal). (Sec. 3)
23. Transfers the Portal from ADOA to ADE. (Sec. 3)
24. Requires the Portal to be electronically searchable by the public at no cost. (Sec. 3)
25. Expands the school level data that must be contained in the Portal to include:
 - a) the number of full-time equivalent (FTE) positions at each individual school, disaggregated by position type;
 - b) the average salary and salary range for each type of FTE position reported at each individual school;
 - c) links to each school district's or charter school's proposed, adopted and revised budgets as outlined; and
 - d) the amount allocated for each current and prospective capital project or facility expense and all funding sources. (Sec. 3)
26. Adds that the Portal must contain a comprehensive database of receipts and expenditures by each school and district school that allows users to:
 - a) search and aggregate payments by individual school, expense category and school district;
 - b) search and aggregate payments to individual vendors as specified;
 - c) download information yielded by a database search; and
 - d) access electronic versions of contracts that relate to expenditures. (Sec. 3)
27. Mandates the comprehensive database include each entry into the school district's general ledger, including receipts of revenues, expenditures and disbursements. (Sec. 3)
28. Specifies the expenditure data included in the comprehensive database must list:
 - a) the manner of payment;
 - b) the funding source from which the expenditure is appropriated;
 - c) a standardized descriptive title of the type and purpose of the transaction;
 - d) the data and amount of each payment;
 - e) the individual school or school district making the payment;
 - f) the name of the person or entity receiving the payment; and
 - g) the primary location of performance under the contract. (Sec. 3)

29. Prohibits the comprehensive database from including:
 - a) payees' addresses or telephone numbers but ADE may allow public access to information identifying the county where the payee is located;
 - b) work product in anticipation of litigation or information subject to attorney-client privilege; and
 - c) any other information designated by law as confidential or preapproved as confidential by ADE pursuant to rule. (Sec. 3)
30. Specifies ADE and any ADE officer or employee:
 - a) may rely on a determination made by a school district regarding confidentiality of information relating to expenditures; and
 - b) are immune from civil liability for posting confidential information if the posting is in reliance on the school district's confidentiality determination. (Sec. 3)
31. Instructs each school district and charter school to cooperate with and provide any additional required data to ADE to implement the Portal. (Sec. 3)
32. Requires the Portal to be updated within 30 days after the end of each fiscal year and allows the Portal to be updated as new data becomes available. (Sec. 3)
33. Mandates data be retained in the Portal for at least 10 full fiscal years. (Sec. 3)
34. Appropriates from the state GF in FY 2024 to ADE:
 - a) \$5,000,000 to develop and maintain the Portal; and
 - b) \$10,000,000 to hire a third-party contractor to audit the administrative and operational efficiency of school districts. (Sec. 7)
35. Directs ADE to post the audit reports on the Portal. (Sec. 7)
36. Appropriates \$2,000,000 from the state GF in FY 2024 to ASBCS to conduct financial reviews and inspections of charter schools. (Sec. 7)

School District Facilities Master Plans (Plans)

37. Instructs each governing board, beginning July 1, 2025, to develop and adopt a long-term plan that, for the 20-year period following the plan's adoption, includes:
 - a) a professional assessment analyzing the academic facility conditions;
 - b) projected capital facility improvements, renovations, repairs and replacements;
 - c) the routine preventative maintenance guidelines and preventative maintenance plan required by statute;
 - d) the capital plan and enrollment projected developed in accordance with statute, as updated in the current year in which the long-term plan is adopted or updated; and
 - e) options for addressing any identified deficiency. (Sec. 5)
38. Requires, at least once every five years, each governing board to:
 - a) update the adopted long-term plan; and
 - b) develop and adopt, beginning July 1, 2025, a short-term plan for the succeeding five years that includes the components required in the long-term plan. (Sec. 5)
39. Stipulates a school district must submit the long-term and current short-term plans to the Division before being eligible to receive BRG Fund or NSF Fund monies. (Sec. 5)
40. Appropriates \$2,000,000 and 14 FTE positions from the state GF in FY 2024 to the Division for inspecting and reviewing school district long-term and short-term plans. (Sec. 7)

Miscellaneous

41. Conditions the enactment of this legislation on the enactment of House Bill 2533, relating to classroom instruction. (Sec. 8)
42. Makes technical and conforming changes. (Sec. 3, 4)